#### **REMARKS**

The above amendments and following remarks are responsive to all the points of objections and rejection raised by the Examiner in the non-final Office Action dated April 1, 2003. No new matters have been introduced by the Amendment. Entry and consideration of the Amendment is respectfully requested.

#### **STATUS OF APPLICATION**

Claims 1-13 are pending in the application. Upon entry of this Amendment and Response, claims 1, 7, and 13 will be amended and claims 14-19 will added. No new matter has been introduced by this Amendment.

In the Office Action, claims 1-4, 7-10 and 13 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Clapp (U.S. Pat. No. 6,073,192, hereafter Clapp) in view of Rodriguez et al. (U.S. Pat. No. 5,999,207, hereafter Rodriguez). Additionally, claims 5-6 and 11-12 are rejected under 35 U.S.C § 103(a) as being unpatentable over Clapp in view of Rodriguez, and further in view of Kato et al. (U.S. Pat. No. 5,898,824, hereafter Kato). Applicant respectfully traverses the rejections for the following reasons.

### RESPONSE TO REJECTIONS UNDER 35 U.S.C. § 103:

The present invention, as amended claims 1, 7 and 13, is directed to a communication device and method that is capable of "automatically selecting between a first operation mode and a second operation mode," which is a feature not believed to be taught or suggested by the cited prior art. Support for these claim changes can be found on page 27, line 26 through page 30, line 27 of the specification.

Attorney's Docket No. <u>1232-4681</u> Serial No. 09/779,317

Clapp is directed to a peripheral video conferencing system adapted for communication with an analog or digital communication channel and a separate host computer. Although Clapp appears to teach or suggest the ability to accommodate both stand alone video conferencing and video conferencing using a host computer, nowhere does Clapp suggest a communication device or method that automatically selects between the two video conferencing modes.

Conversely, the present invention is capable of a selection between a DVC mode and STB mode of operation using application software. More specifically, when the DVC software is started, a request for changing to DVC mode is automatically issued. When the STB terminal software is started, such request for changing to DVC mode is not issued. Fig. 7 shows a flow chart of the operation for returning the terminal body 116 from DVC mode to STB mode.

Moreover, Rodriguez and Kato do not appear to overcome the deficiencies noted above in Clapp to render obvious the present invention. Accordingly, claims 1, 7 and 13 are now believed to be distinguishable over the prior art of record, viewed individually or in combination. Likewise, claims 2-6 and 8-12 are also believed to be distinguishable based on their dependency from claims 1 and 7, respectively.

New claims 14-19 are also believed to be allowable over the prior art of record for the reasons stated above.

Attorney's Docket No. <u>1232-4681</u> Serial No. 09/779,317

## **CONCLUSION**

In view of the above amendment and arguments, Applicant respectfully submits that all of the stated grounds of objections and rejection have been properly traversed, accommodated or rendered moot. Thus, Applicant believes that all of the pending claims are patentable over the prior art of record, and the present application is now in condition for allowance.

Attorney's Docket No. <u>1232-4681</u> Serial No. 09/779,317

# **AUTHORIZATION**

A check for \$504.00 is enclosed to cover the fees for addition of six (6) extra independent claims. The Commissioner is also authorized to charge any additional fees which may be required for this amendment, or credit any overpayment to Deposit Account 13-4503, Order No. 1232-4681.

By:

Respectfully submitted, MORGAN & FINNEGAN, L.L.P.

Date: July 1, 2003

Mark D. Pratt

Registration No.:45,794 (202) 857-7887 Telephone (202) 857-7929 Facsimile

CORRESPONDENCE ADDRESS:

Morgan & Finnegan, LLP 345 Park Avenue New York, NY 10154